

REGISTERED NUMBER: 01419058 (England and Wales)

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2016
for
North Yorkshire Timber Company Limited

Contents of the Financial Statements
for the Year Ended 31 December 2016

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Cash Flow Statement	10
Notes to the Cash Flow Statement	11
Notes to the Financial Statements	12

North Yorkshire Timber Company Limited

Company Information
for the Year Ended 31 December 2016

DIRECTORS:

Mr N P Kershaw
Mr M P Williams
Mr D L Cook
Mr V Bellas
Mr R Timmens
Mr I G Stapleton

SECRETARY:

Mr I G Stapleton

REGISTERED OFFICE:

Standard House
Thurston Road
Northallerton Business Park
Northallerton
North Yorkshire
DL6 2NA

REGISTERED NUMBER:

01419058 (England and Wales)

AUDITORS:

Eura Audit (Northallerton) Limited
Statutory Auditor
87 South Parade
Northallerton
North Yorkshire
DL7 8SJ

SOLICITORS:

Newtons Solicitors Ltd trading as
Thorp Parker
Martin House
High Street
Stokesley
North Yorkshire
TS9 5AD

Strategic Report
for the Year Ended 31 December 2016

The directors present their strategic report for the year ended 31 December 2016.

REVIEW OF BUSINESS

The principal activities of the company were the fabrication and retail of timber and building products.

Total turnover increased by 6.6% compared with the previous year. The continued strength of the UK house building market in 2016 enabled the company to continue its growth in this area, particularly with roof trusses and panellised roofing system. A continued focus on cost management, production efficiencies, improved buying and stronger commercial controls, enabled the Company to increase gross profit by 13.1% and profit before tax rose by 51.1% to £679,958.

In 2014 the Company was subject to a compulsory purchase order for approximately nine per cent of the land at its manufacturing & distribution centre in Brompton on Swale. The reconfiguration of the site which commenced in 2014 was largely completed in 2016, with only minor changes left to complete in 2017. This continued to cause disruption to the business throughout the year, diverting senior management time and focus, constraining operational capacity and also incurring substantial additional costs of working whilst the site was reconfigured to adjust to the new reduced size.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks to the business continue to relate to turnover and the strength of the economy, and in particular the construction and housing sector. The UK vote to leave the European Union ("Brexit") clearly creates significant uncertainty in the wider economy, however at this point we have seen no evidence that this increased uncertainty is having any effect on our core markets. The Directors are aware of these risks and have accordingly ensured that there are strong management controls and plans in place to manage these risks.

KEY PERFORMANCE INDICATORS (KPI'S)

In addition to Turnover and profit the Company monitors the following KPI's

	<u>2016</u>	<u>2015</u>
Gross Profit %	34.5%	32.5%
Stock Turnover	5.3	5.1
Debtor Days	35	35
Creditor Days	69	71
Cash at Bank	£394,472	£182,632

CONCLUSION

The Directors are satisfied with 2016's financial performance and believe the Company is well positioned to benefit from the investments it has made and continues to make in its people, products and process.

ON BEHALF OF THE BOARD:

Mr I G Stapleton - Director

25 August 2017

Report of the Directors
for the Year Ended 31 December 2016

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

DIVIDENDS

Interim dividends totalling £1.62 per share were paid throughout the year. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31st December 2016 will be £162,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

Mr N P Kershaw
Mr M P Williams
Mr D L Cook
Mr V Bellas
Mr R Timmens
Mr I G Stapleton

Other changes in directors holding office are as follows:

Mr A Gulliver - resigned 23 September 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Report of the Directors
for the Year Ended 31 December 2016

AUDITORS

The auditors, Eura Audit (Northallerton) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr I G Stapleton - Director

25 August 2017

Report of the Independent Auditors to the Members of
North Yorkshire Timber Company Limited

We have audited the financial statements of North Yorkshire Timber Company Limited for the year ended 31 December 2016 on pages seven to twenty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Directors.

Report of the Independent Auditors to the Members of
North Yorkshire Timber Company Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Peter Tarren FCA (Senior Statutory Auditor)
for and on behalf of Eura Audit (Northallerton) Limited
Statutory Auditor
87 South Parade
Northallerton
North Yorkshire
DL7 8SJ

25 August 2017

Statement of Comprehensive Income
for the Year Ended 31 December 2016

	Notes	2016 £	£	2015 £	£
TURNOVER			16,056,860		15,060,762
Cost of sales			10,521,523		10,167,174
GROSS PROFIT			<u>5,535,337</u>		<u>4,893,588</u>
Distribution costs		2,077,135		1,884,293	
Administrative expenses		<u>3,232,707</u>		<u>2,985,851</u>	
			5,309,842		4,870,144
			225,495		23,444
Other operating income	3		522,019		507,671
OPERATING PROFIT	5		<u>747,514</u>		<u>531,115</u>
Interest payable and similar expenses	6		67,556		81,275
PROFIT BEFORE TAXATION			<u>679,958</u>		<u>449,840</u>
Tax on profit	7		91,555		21,950
PROFIT FOR THE FINANCIAL YEAR			<u>588,403</u>		<u>427,890</u>
OTHER COMPREHENSIVE INCOME			-		-
TOTAL COMPREHENSIVE INCOME					
FOR THE YEAR			<u>588,403</u>		<u>427,890</u>

North Yorkshire Timber Company Limited (Registered number: 01419058)

Balance Sheet
31 December 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Intangible assets	9		-		15,385
Tangible assets	10		4,806,164		4,868,046
Investments	11		1,520		2,770
			<u>4,807,684</u>		<u>4,886,201</u>
CURRENT ASSETS					
Stocks	12	2,180,968		1,930,351	
Debtors	13	2,328,043		2,257,355	
Cash at bank and in hand		<u>396,962</u>		<u>185,480</u>	
		4,905,973		4,373,186	
CREDITORS					
Amounts falling due within one year	14	<u>3,697,279</u>		<u>3,461,856</u>	
NET CURRENT ASSETS			<u>1,208,694</u>		<u>911,330</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			6,016,378		5,797,531
CREDITORS					
Amounts falling due after more than one year	15		(1,724,007)		(1,929,655)
PROVISIONS FOR LIABILITIES	19		<u>(132,737)</u>		<u>(134,645)</u>
NET ASSETS			<u>4,159,634</u>		<u>3,733,231</u>
CAPITAL AND RESERVES					
Called up share capital	20		100,000		100,000
Revaluation reserve	21		868,154		878,414
Capital redemption reserve	21		50,000		50,000
Retained earnings	21		<u>3,141,480</u>		<u>2,704,817</u>
SHAREHOLDERS' FUNDS			<u>4,159,634</u>		<u>3,733,231</u>

The financial statements were approved and authorised for issue by the Board of Directors on 25 August 2017 and were signed on its behalf by:

Mr I G Stapleton - Director

Statement of Changes in Equity
for the Year Ended 31 December 2016

	Called up share capital £	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 January 2015	100,000	2,306,667	888,674	50,000	3,345,341
Changes in equity					
Dividends	-	(40,000)	-	-	(40,000)
Total comprehensive income	-	438,150	(10,260)	-	427,890
Balance at 31 December 2015	100,000	2,704,817	878,414	50,000	3,733,231
Changes in equity					
Dividends	-	(162,000)	-	-	(162,000)
Total comprehensive income	-	598,663	(10,260)	-	588,403
Balance at 31 December 2016	100,000	3,141,480	868,154	50,000	4,159,634

The notes form part of these financial statements

Cash Flow Statement
for the Year Ended 31 December 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	806,320	529,906
Interest paid		(58,365)	(69,418)
Interest element of hire purchase payments paid		(9,191)	(11,857)
Tax paid		(6,508)	(10,565)
Net cash from operating activities		<u>732,256</u>	<u>438,066</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(161,061)	(254,093)
Sale proceeds of tangible fixed assets		-	14,500
Net cash from investing activities		<u>(161,061)</u>	<u>(239,593)</u>
Cash flows from financing activities			
Loan repayments in year		(175,127)	(168,868)
New agreements / capital repayments		(22,586)	57,381
Equity dividends paid		(162,000)	(40,000)
Net cash from financing activities		<u>(359,713)</u>	<u>(151,487)</u>
Increase in cash and cash equivalents		<u>211,482</u>	<u>46,986</u>
Cash and cash equivalents at beginning of year	2	185,480	138,494
Cash and cash equivalents at end of year	2	<u>396,962</u>	<u>185,480</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 December 2016

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2016	2015
	£	£
Profit before taxation	679,958	449,840
Depreciation charges	236,410	241,446
Loss on disposal of fixed assets	3,168	12,200
Finance costs	<u>67,556</u>	<u>81,275</u>
	987,092	784,761
Increase in stocks	(250,617)	(360,954)
(Increase)/decrease in trade and other debtors	(70,688)	342,644
Increase/(decrease) in trade and other creditors	<u>140,533</u>	<u>(236,545)</u>
Cash generated from operations	<u>806,320</u>	<u>529,906</u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2016

	31.12.16	1.1.16
	£	£
Cash and cash equivalents	<u>396,962</u>	<u>185,480</u>

Year ended 31 December 2015

	31.12.15	1.1.15
	£	£
Cash and cash equivalents	<u>185,480</u>	<u>138,494</u>

Notes to the Financial Statements
for the Year Ended 31 December 2016

1. STATUTORY INFORMATION

North Yorkshire Timber Company Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on revaluation
Short leasehold	- Straight line over 20 years
Office equipment, fixtures & fittings	- 20% on reducing balance
Handling plant	- 15% on reducing balance
Computer system	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Commercial vehicles	- 25% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

2. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of businesses, is being written off evenly over its estimated useful life of ten years.

Investments

Investments have been valued at cost.

3. OTHER OPERATING INCOME

	2016	2015
	£	£
Discounts received	39,177	35,379
Rents received	55,000	55,000
Recoverable costs & losses	150,108	127,124
Supplier rebates	277,734	290,168
	<u>522,019</u>	<u>507,671</u>

4. EMPLOYEES AND DIRECTORS

	2016	2015
	£	£
Wages and salaries	3,511,503	3,172,602
Social security costs	294,875	253,294
Other pension costs	85,221	44,587
	<u>3,891,599</u>	<u>3,470,483</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

4. EMPLOYEES AND DIRECTORS - continued

The average monthly number of employees during the year was as follows:

	2016	2015
Machinists, Yard & Drivers	100	90
Sales / Design	47	44
Office / Administration	16	15
Directors	<u>7</u>	<u>7</u>
	<u>170</u>	<u>156</u>

	2016	2015
	£	£
Directors' remuneration	357,882	377,250
Directors' pension contributions to money purchase schemes	<u>56,015</u>	<u>16,890</u>

Information regarding the highest paid director is as follows:

	2016	2015
	£	£
Emoluments etc	93,999	104,626
Pension contributions to money purchase schemes	<u>22,370</u>	<u>5,389</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2016	2015
	£	£
Other operating leases	7,137	6,044
Depreciation - owned assets	174,183	166,425
Depreciation - assets on hire purchase contracts	46,842	45,912
Loss on disposal of fixed assets	3,168	12,200
Goodwill amortisation	15,385	29,109
Auditors' remuneration	11,080	10,810
Auditors' remuneration for non audit work	<u>8,770</u>	<u>8,085</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2016	2015
	£	£
Bank interest	11,468	16,262
Bank loan interest	46,897	53,156
Hire purchase	<u>9,191</u>	<u>11,857</u>
	<u>67,556</u>	<u>81,275</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2016 £	2015 £
Current tax:		
UK corporation tax	93,463	6,508
Prior years tax	-	(10,140)
Total current tax	<u>93,463</u>	<u>(3,632)</u>
Deferred tax	(1,908)	25,582
Tax on profit	<u>91,555</u>	<u>21,950</u>

8. DIVIDENDS

	2016 £	2015 £
Ordinary shares of £1 each		
Interim	<u>162,000</u>	<u>40,000</u>

9. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2016	
and 31 December 2016	<u>179,472</u>
AMORTISATION	
At 1 January 2016	164,087
Amortisation for year	<u>15,385</u>
At 31 December 2016	<u>179,472</u>
NET BOOK VALUE	
At 31 December 2016	-
At 31 December 2015	<u>15,385</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

10. TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Office equipment, fixtures & fittings £	Handling plant £
COST OR VALUATION				
At 1 January 2016	4,114,993	211,936	808,951	908,692
Additions	-	-	82,259	8,578
At 31 December 2016	<u>4,114,993</u>	<u>211,936</u>	<u>891,210</u>	<u>917,270</u>
DEPRECIATION				
At 1 January 2016	55,000	100,241	693,890	597,521
Charge for year	55,000	10,597	30,662	48,371
Eliminated on disposal	-	-	-	-
At 31 December 2016	<u>110,000</u>	<u>110,838</u>	<u>724,552</u>	<u>645,892</u>
NET BOOK VALUE				
At 31 December 2016	<u>4,004,993</u>	<u>101,098</u>	<u>166,658</u>	<u>271,378</u>
At 31 December 2015	<u>4,059,993</u>	<u>111,695</u>	<u>115,061</u>	<u>311,171</u>
	Computer system £	Motor vehicles £	Commercial vehicles £	Totals £
COST OR VALUATION				
At 1 January 2016	539,994	32,328	290,550	6,907,444
Additions	70,224	-	-	161,061
Disposals	-	-	(27,600)	(27,600)
At 31 December 2016	<u>610,218</u>	<u>32,328</u>	<u>262,950</u>	<u>7,040,905</u>
DEPRECIATION				
At 1 January 2016	398,367	20,751	173,628	2,039,398
Charge for year	44,271	2,894	29,230	221,025
Eliminated on disposal	-	-	(25,682)	(25,682)
At 31 December 2016	<u>442,638</u>	<u>23,645</u>	<u>177,176</u>	<u>2,234,741</u>
NET BOOK VALUE				
At 31 December 2016	<u>167,580</u>	<u>8,683</u>	<u>85,774</u>	<u>4,806,164</u>
At 31 December 2015	<u>141,627</u>	<u>11,577</u>	<u>116,922</u>	<u>4,868,046</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

10. TANGIBLE FIXED ASSETS - continued

Cost or valuation at 31 December 2016 is represented by:

	Freehold property £	Short leasehold £	Office equipment, fixtures & fittings £	Handling plant £
Valuation in 2014	513,023	-	-	-
Cost	3,601,970	211,936	891,210	917,270
	<u>4,114,993</u>	<u>211,936</u>	<u>891,210</u>	<u>917,270</u>
	Computer system £	Motor vehicles £	Commercial vehicles £	Totals £
Valuation in 2014	-	-	-	513,023
Cost	610,218	32,328	262,950	6,527,882
	<u>610,218</u>	<u>32,328</u>	<u>262,950</u>	<u>7,040,905</u>

Freehold property was last revalued in 2014 by Sanderson Weatherall LLP. There are small annual variations caused by these but in the opinion of the Directors, and using these valuations, the valuation at 31st December 2016 is correct.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Handling plant £	Computer system £	Motor vehicles £	Commercial vehicles £	Totals £
COST OR VALUATION					
At 1 January 2016	310,182	-	19,137	279,039	608,358
Additions	-	46,840	-	-	46,840
Transfer to ownership	(222,201)	-	(19,137)	(142,539)	(383,877)
At 31 December 2016	<u>87,981</u>	<u>46,840</u>	<u>-</u>	<u>136,500</u>	<u>271,321</u>
DEPRECIATION					
At 1 January 2016	182,018	-	10,167	164,245	356,430
Charge for year	14,331	6,831	561	25,119	46,842
Transfer to ownership	(181,282)	-	(10,728)	(125,153)	(317,163)
At 31 December 2016	<u>15,067</u>	<u>6,831</u>	<u>-</u>	<u>64,211</u>	<u>86,109</u>
NET BOOK VALUE					
At 31 December 2016	<u>72,914</u>	<u>40,009</u>	<u>-</u>	<u>72,289</u>	<u>185,212</u>
At 31 December 2015	<u>128,164</u>	<u>-</u>	<u>8,970</u>	<u>114,794</u>	<u>251,928</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

11. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 January 2016	2,770
Disposals	<u>(1,250)</u>
At 31 December 2016	<u>1,520</u>
NET BOOK VALUE	
At 31 December 2016	<u>1,520</u>
At 31 December 2015	<u>2,770</u>

The investments represent shares in United Merchants plc and National Merchant Buying Society Ltd.

12. STOCKS

	2016 £	2015 £
Goods for resale	<u>2,180,968</u>	<u>1,930,351</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	1,833,775	1,732,100
Prepayments and accrued income	<u>494,268</u>	<u>525,255</u>
	<u>2,328,043</u>	<u>2,257,355</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank loans and overdrafts (see note 16)	179,645	169,000
Hire purchase contracts (see note 17)	8,456	11,166
Trade creditors	2,483,414	2,635,619
Tax	93,463	6,508
Social security and other taxes	76,480	67,585
VAT	236,813	176,563
Deferred income	321,860	170,366
Accrued expenses	<u>297,148</u>	<u>225,049</u>
	<u>3,697,279</u>	<u>3,461,856</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 £	2015 £
Bank loans (see note 16)	1,582,466	1,768,238
Hire purchase contracts (see note 17)	<u>141,541</u>	<u>161,417</u>
	<u>1,724,007</u>	<u>1,929,655</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

16. LOANS

An analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year or on demand:		
Bank loans	<u>179,645</u>	<u>169,000</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>184,476</u>	<u>169,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>574,125</u>	<u>507,000</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>823,865</u>	<u>1,092,238</u>

17. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2016 £	2015 £
Gross obligations repayable:		
Within one year	9,626	14,206
Between one and five years	<u>158,009</u>	<u>178,749</u>
	<u>167,635</u>	<u>192,955</u>
Finance charges repayable:		
Within one year	1,170	3,040
Between one and five years	<u>16,468</u>	<u>17,332</u>
	<u>17,638</u>	<u>20,372</u>
Net obligations repayable:		
Within one year	8,456	11,166
Between one and five years	<u>141,541</u>	<u>161,417</u>
	<u>149,997</u>	<u>172,583</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

18. SECURED DEBTS

The following secured debts are included within creditors:

	2016 £	2015 £
Bank loans	<u>1,762,111</u>	<u>1,937,238</u>

The bank borrowings are secured with a debenture incorporating a fixed and floating charge over all the assets of the company, together with first legal charges over the company's freehold property. There is also a cross guarantee with NYT (Holdings) Limited.

19. PROVISIONS FOR LIABILITIES

	2016 £	2015 £
Deferred tax	<u>132,737</u>	<u>134,645</u>
		Deferred tax £
Balance at 1 January 2016		134,645
Accelerated capital allowances		<u>(1,908)</u>
Balance at 31 December 2016		<u>132,737</u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2016 £	2015 £
100,000	Ordinary		<u>100,000</u>	<u>100,000</u>

21. RESERVES

	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 January 2016	2,704,817	878,414	50,000	3,633,231
Profit for the year	588,403			588,403
Dividends	(162,000)			(162,000)
Freehold property depreciation on revaluation	10,260	(10,260)	-	-
At 31 December 2016	<u>3,141,480</u>	<u>868,154</u>	<u>50,000</u>	<u>4,059,634</u>

22. PENSION COMMITMENTS

The company operates two schemes providing benefits for employees and directors and additional to those from the state. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge for the period amounted to £85,221 (2015 - £44,587).

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

23. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of NYT (Holdings) Ltd.

24. CONTINGENT LIABILITIES

There is a customs bond with a limit of £25,000 in place with the company's bankers. This guarantee is in respect of import duties due to HM Revenue and Customs under their VAT deferment scheme.

25. RELATED PARTY DISCLOSURES

The company pays commercial rentals and service charges in respect of premises it occupies which are owned by NYT Pension Scheme. The charges for the period amounted to £173,152 (2015 - £148,000).

All of the above transactions have been undertaken at arms length and on normal commercial terms.

26. ULTIMATE CONTROLLING PARTY

The company is controlled by Mr D L Cook, through his majority shareholding in NYT (Holdings) Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.